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7 July 1960

CURRENT INTELLIGENCE WEEKLY SUMMARY

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~~SECRET~~~~CONFIDENTIAL~~

CURRENT INTELLIGENCE WEEKLY SUMMARY

7 July 1960

THE WEEK IN BRIEF

PART I

OF IMMEDIATE INTEREST

DEVELOPMENTS IN SOVIET FOREIGN RELATIONS Page 1

Khrushchev has used his visit to Austria to affirm once again that the main lines of his policies will remain unchanged at least until a new administration takes office in the United States. His reception has been notably cool, and his attacks on West Germany and the United States have drawn sharp criticism from the Austrian press. Moscow continues to move toward a position in the nuclear test ban talks from which it could break off the discussions at any time and charge the West with responsibility for the lack of progress.

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CUBA Page 2

Cuba will probably suffer shortages in petroleum products for about a month, after which the Soviet bloc can, if it wishes, satisfy all Cuban petroleum requirements. The Castro regime's reactions to the reduction of its sugar quota have been angry, as predicted, and the expropriation of more American-owned firms appears certain. There are indications that Communists will soon increase their influence in the Cuban Foreign Ministry.

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VENEZUELA'S EFFORT TO FORCE TRUJILLO'S OVERTHROW Page 4

Venezuela has launched an all-out effort in the Organization of American States to force the downfall of Dominican dictator Trujillo, who was involved in the 24 June attempt to assassinate President Betancourt. Venezuelan armed forces are on an alert status and may act unilaterally in the event the OAS fails to take prompt and effective measures or Trujillo engages in any further interventionist activities.

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ALGERIA-FRANCE Page 5

The announcement by the Algerian rebels on 4 July that substantive negotiations on an Algerian cease-fire are "not opportune" at present stemmed from dissatisfaction at the treatment accorded a rebel delegation in preliminary contacts with French representatives at Melun. The rebel communiqué was conciliatory in tone, and the rebels are probably prepared to resume negotiations if the French

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CURRENT INTELLIGENCE WEEKLY SUMMARY

7 July 1960

PART I (continued)

make certain procedural concessions. European settlers in Algeria view the stalemate in the talks without elation, and continue to fear a French "sellout" to the rebels. [redacted]

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REPUBLIC OF THE CONGO Page 6

Public order in the Republic of the Congo has been seriously threatened by a mutiny among units of the 24,000-man Force Publique which began on 6 July. Even if the mutiny is brought under control, concessions made to the mutineers--which include across-the-board promotions for enlisted personnel and the removal of the Force Publique's Belgian commander--may nullify its effectiveness as the major force for internal stability in the new state. [redacted]

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PART II

NOTES AND COMMENTS

STRUGGLE OVER LEADERSHIP OF JAPANESE CONSERVATIVES Page 1

Leaders of Japan's ruling Liberal-Democratic party (LDP), still unable to resolve their bitter factional struggle to name a successor to Prime Minister Kishi, may be forced to submit the issue to a floor vote at a party convention on 13 July. [redacted]

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[redacted] Japanese leftists plan a series of rallies and demonstrations between 10 and 15 July, beginning at the US naval air station at Atsugi, near Tokyo. [redacted] **UNCODED** [redacted]

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SHAKE-UP IN AGRICULTURAL LEADERSHIP IN THE RUSSIAN REPUBLIC Page 2

Several agricultural leaders in the Russian Republic of the Soviet Union have been fired or reassigned during the past month amid complaints of serious deficiencies in agricultural administration--primarily failures to correct errors which last year were blamed for the mediocre harvest. The timing and pattern of the shifts, however, suggest that they may reflect political maneuvering among the top Kremlin leaders, possibly involving differences over agricultural policy. [redacted]

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CURRENT INTELLIGENCE WEEKLY SUMMARY

7 July 1960

PART II (continued)

POLAND REVISES 1961-65 ECONOMIC PLAN Page 4

Revisions of Poland's Second Five-Year Plan (1961-65) made at the recent plenum of the party central committee reflect a shift in economic priorities which seems to be at least a partial victory for the more orthodox faction of the party that has pressed for more rapid expansion of heavy industry, even if it means slowing the growth of personal consumption. The Polish plan now bears a closer resemblance than before to those of other Soviet bloc countries. [redacted]

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SOVIET RELATIONS WITH THE NEW TURKISH REGIME Page 4

Moscow has made several overtures to the provisional Turkish Government for improving relations, [redacted]

and

[redacted] has offered Ankara economic assistance in an effort to take advantage of Turkey's financial plight. Soviet leaders, while disappointed with the provisional government's decision to maintain close ties with the West, may hope their overtures will strengthen any elements in the new regime inclined toward neutralism. [redacted]

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CYPRUS SETTLEMENT Page 5

Agreements reached by British, Turkish- and Greek-Cypriot negotiators appear to have removed the last obstacles to independence, now expected to be proclaimed in August. Despite general relief by the majority of Cypriots, Archbishop Makarios can expect continued sniping from the die-hard supporters of union with Greece and possibly also from the Communists. Among the Turkish Cypriots, opposition to Kuchuk's moderate leadership has increased in recent weeks. [redacted]

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MIDDLE EAST DEVELOPMENTS Page 7

Rumors of internal troubles are increasing in Iraq as the 14 July anniversary of the 1958 revolution approaches, but there is no firm evidence that an uprising is being planned. The Lebanese elections have ended in a comparatively peaceful atmosphere, and a new cabinet is expected soon. Nasir's perennial propaganda war with Jordan's King Husayn has warmed up again. Israeli patrolling in the demilitarized zone between Israel and Syria has been resumed and has increased border tension there. The Yemeni internal situation remains shaky as the Soviet bloc continues its drive for influence. [redacted]

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SECRET

iii

THE WEEK IN BRIEF

SECRET

CURRENT INTELLIGENCE WEEKLY SUMMARY

7 July 1960

PART II (continued)

UNREST REPORTED IN MOZAMBIQUE Page 8

African unrest has been reported in remote areas of northern Mozambique, where natives have apparently come under the influence of nationalist agitators from Tanganyika. Some arms may have been smuggled in, and Portuguese troops have been flown into the disturbed area. [redacted]

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ternal pressure on Mozambique will probably increase as Tanganyika and Nyasaland move toward self-government. [redacted]

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NEPAL AND COMMUNIST CHINA AT ODDS OVER BORDER INCIDENT . . Page 9

Relations between Nepal and Communist China received a sharp jolt as a result of the clash in late June in the isolated Mustang border area. Peiping's formal apology has eased tension somewhat, but each government still disputes the other's claim that its territory was violated. Both Katmandu and Peiping apparently still wish to proceed with the arrangements for border demarcation agreed on in March, but the Napalese Government's ability to negotiate a final settlement may be limited by the growing anti-Chinese reaction in Nepal. The border incident has had a similar impact in India. [redacted]

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CAMBODIA THREATENS TO ACCEPT BLOC ARMS Page 11

Prince Sihanouk has warned that he will accept professed Communist bloc arms unless the United States moves promptly to satisfy his complaint that it is giving more and better arms to South Vietnam, Thailand, and Laos than to Cambodia. Sihanouk's attitude is conditioned not only by concern over his neighbors' armaments, but also apparently by a belief that Communist China is the "wave of the future" in Asia. [redacted]

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SECRET

iv

THE WEEK IN BRIEF

SECRET

CURRENT INTELLIGENCE WEEKLY SUMMARY

7 July 1960

PART II (continued)

BRITAIN, SPAIN, AND NATO Page 13

Spanish Foreign Minister Castiella's official visit to London from 11 to 13 July follows a gradual increase in economic and military contacts between Britain and Spain. While Britain itself now favors Spain's admission to NATO, it does not yet appear ready to try to overcome Norwegian, Danish, Belgian, and Dutch opposition. [redacted]

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WEST GERMAN CRACKDOWN ON NAZIS Page 14

The Eichmann dispute between Argentina and Israel has stimulated the West German Government to arrest a number of former Nazis suspected of war crimes. In moves against neo-Nazi groups, the Hesse state government has seized periodical subscription lists and other records, while Bonn has adopted a law banning the wearing of Nazi emblems and stiffening the punishments for racial and neo-Nazi agitation. [redacted]

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PARAGUAYAN REVOLUTIONARY ACTIVITY Page 15

The several Paraguayan revolutionary groups seeking to oust the Stroessner dictatorship are planning to expand their military operations. Their as-yet-uncoordinated activities have hitherto seemed mainly designed to promote a revolutionary atmosphere of heightened tensions, to infiltrate rebels, and to elicit material support outside Paraguay. The military at present appears to be loyal to Stroessner. [redacted]

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PART III

PATTERNS AND PERSPECTIVES

THE ROLE OF THE MILITARY IN SOVIET POLITICS Page 1

The presence of Marshal Malinovsky at the abortive summit meeting in Paris in May led to considerable speculation about the role of the military in Soviet political life. The key questions which arise are: Is "the military" a cohesive element in the leadership? Are the military leaders in a position where they could exert pressure on Khrushchev? Are there indications that they have wanted to exert such pressure? These questions are discussed in the first portion of this article; the last half covers the effects and implications of recent events--including the Soviet demobilization program, the U-2 incident, and the summit conference--on the military-political relationship. [redacted]

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SECRET

v

THE WEEK IN BRIEF

SECRET

CURRENT INTELLIGENCE WEEKLY SUMMARY

7 July 1960

PART III (continued)

SOVIET TECHNOLOGY Page 15

The Soviet Union, which launched an ambitious industrial modernization program in June 1959, has scheduled a central committee plenum for 13 July to review progress and give additional guidance for promoting technological advances. The meeting will probably praise the satisfactory production record of Soviet industry, the general overfulfillment to date of the Seven-Year Plan industrial and productivity goals, and the determination to complete the plan ahead of schedule. There will probably be severe criticism of accomplishments to date, however, as few of the specific tasks assigned a year ago appear to have been fulfilled. The USSR is more advanced in some cases than the West in theoretical knowledge of automation, but lags appreciably behind in the application of automatic controls to industry.

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SECRET

vi

THE WEEK IN BRIEF

SECRET

CURRENT INTELLIGENCE WEEKLY SUMMARY

7 July 1960

PART I

OF IMMEDIATE INTEREST

DEVELOPMENTS IN SOVIET FOREIGN RELATIONS

Khrushchev has used his visit to Austria--his first trip outside the bloc since the summit collapse--to affirm once again that the main lines of his policies will remain unchanged, at least until a new American administration takes office. In a major speech on 1 July in Vienna, the Soviet premier listed the main goals of his post-summit policy as disarmament, a peace treaty with Germany, and a solution of international issues by negotiation. Following this broad declaration, he concentrated his other speeches on the dangers of "revanchism" in West Germany and warned that the Soviet Union cannot remain indifferent to statements by Adenauer which resemble some of Hitler's.

In the private talks with Austrian officials, Khrushchev apparently reaffirmed his public commitment to uphold until after a change in administration in Washington the status quo in Berlin, provided there were no "provocations." Austrian Foreign Minister Kreisky confirmed this to the press following the private discussions on 1 July. In an attempt to utilize the close relations among Vienna, Bonn, and Berlin, Khrushchev told Austrian officials that if Bonn attempted to hold a Bundestag meeting in Berlin, Moscow "just might" consider that as the occasion for signing a separate peace treaty

with East Germany, and then Adenauer and the West German Bundestag would have to request "exit permits" from Ulbricht.

Khrushchev's departure for Austria and the West German foreign policy debate provided the occasion for drawing increased attention to the German and Berlin questions. On 30 June Moscow protested formally to the three Western powers against alleged West German recruitment of West Berliners for the German armed forces. The Soviet notes charged that Bonn was pursuing such activities with the intention of bringing the situation in Berlin and Germany to "dangerous conflicts."

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In his public statements in Austria, Khrushchev resorted to his familiar attempts to

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

7 July 1960

differentiate between the US Government and the American people.

Austrian Reactions

The Austrian press has criticized the government for allowing Khrushchev to abuse Austrian hospitality with his hostile remarks about countries friendly to Austria, and newspapers have specifically criticized Chancellor Raab, particularly for his "uncalled-for" attendance at the 2 July rally of the Austro-Soviet Society. The press has noted the generally cool public reaction to the whole visit, commenting that "enthusiastic crowds" claimed by the Soviet delegation were either tourists or, in one case, Austrians dressed for church.

Bonn, especially irked that the speeches attacking Adenauer were made in the presence of Raab, has sent a sharp protest to the Austrian Government. Kreisky and other top Austrian officials have welcomed this move as supporting their view that Raab should not have accompanied Khrushchev on his tour of the country.

Geneva Talks

Moscow is apparently moving toward a position in the nuclear test ban talks from which it could break off the discussions at any time and charge the West with responsibility for the lack of progress. Both Foreign Minister Gromyko and chief Soviet delegate Tsarapkin have publicly indicated that the USSR's continued participation is dependent on evidence of the West's willingness to clarify its position on the main issues under debate. Both left the impression, however, that the Soviet delegation would probably not break off the talks immediately.

[redacted] 25X1

Tsarapkin in an interview with the East German news service, [redacted] pointed out that the talks closely paralleled the disarmament negotiations in that the West was placing obstacles in the way of progress, but was careful to make a distinction between the two negotiations. He implied that Moscow would await Western proposals on the outstanding issues listed by him.

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In the conference sessions, the Soviet delegation has attempted to build a record of willingness to continue negotiations in a serious vein. On 1 July Tsarapkin formally introduced draft-treaty language on the composition of the control commission, without altering the substance of the Soviet position. In addition, he accepted Western proposals on secondary issues and accepted a British compromise proposal on the method of selecting deputies for the control commission's administrator.

The Soviet leaders may prefer to withhold any move to break off the talks until after the United States begins the first of its series of conventional and nuclear explosions to improve the capabilities of detecting underground tests. Moscow may seek to distort the purposes of a chemical explosion, scheduled for 12 July as part of the US program for peaceful uses of nuclear energy, as indicating an American intention to proceed with nuclear weapons development, and as justifying Soviet refusal to negotiate under such conditions. [redacted] 25X1

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SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY****7 July 1960****CUBA**

The Castro regime will probably be faced with petroleum shortages during the next month. By then, the Soviet bloc can, if it wishes, satisfy all Cuban petroleum requirements. Soviet petroleum products already contracted for amount to only about a quarter of Cuba's annual needs.

The Soviet Union has been chartering free-world tankers to carry Soviet oil on runs to Western Europe and the Far East in order to free more of its own tankers for service to Cuba.

The regime's reactions to the cut in its sugar quota were bitter and provocative, as predicted. Late on 5 July the cabinet authorized the seizure of all American-owned properties in Cuba, "when deemed necessary in the national interest." This is consistent with Castro's earlier threat to take everything "down to the nails in their shoes" from Americans in Cuba if Cuba's sugar quota in the US market were cut. In his 6 July speech, Castro called the cut in Cuba's sugar quota a "stupid and decadent" act and said the US is taking advantage of Cuba's backwardness, "for which it is responsible."

The Communist-controlled Cuban Labor Confederation has called for a rally of "a mil-

lion and a half" on 10 July to protest the "aggression of the imperialist and pro-Nazi US Government." Castro may well use a scheduled speech on 8 July or the rally to announce the seizure of further American properties. Conrado Becquer, leader of the powerful sugar workers' federation, has ordered union members to prepare to seize the 31 sugar mills owned by Americans. Anti-US fervor is being whipped up to such a pitch that there is danger of violence against Americans and their properties.

Raul Castro told the Czech press that it no longer would be a disaster for Cuba if the United States stops buying Cuban sugar, since now "we have the help of the Soviet Union and other socialist countries. We have learned who our real friends are." He has been in Czechoslovakia since 26 June on a mission that probably involves efforts to obtain military equipment. The regime's moves to obtain arms in Western Europe also continue.

Foreign
Minister Raul Roa may shortly be replaced by pro-Communist Carlos Olivares. Roa has remained out of the limelight in recent weeks, while Olivares, appointed under secretary on 17 June, has been assuming an increasing share of responsibility in the ministry.

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SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

7 July 1960

Olivares, a member of Raul Castro's clique, has been a leading organizer for the Castro-sponsored Latin American Youth Congress which is scheduled to open in Havana on 26 July and

which appears certain to be dominated by the Communists. Olivares' appointment as foreign minister would mean increased Communist influence over Cuba's foreign policy.

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VENEZUELA'S EFFORT TO FORCE TRUJILLO'S OVERTHROW

Venezuela has launched an all-out effort in the Organization of American States (OAS) to force the downfall of Dominican dictator Trujillo, who was involved in the attempted assassination of President Betancourt on 24 June. At a meeting of the OAS Council on 6 July, the Venezuelan representative demanded an early meeting of American foreign ministers to consider Trujillo's aggressive action and apply sanctions against his regime. The Venezuelan Government, whose armed forces are on alert status, may act unilaterally against the Dominican Republic in the event the OAS fails to take prompt and effective measures or Trujillo engages in any further interventionist activities.

Betancourt, who has long insisted that the OAS give priority to the problem of Trujillo over that of Castro, apparently intends to assist in a hemisphere solution for the Cuban situation after Trujillo's elimination. Colombian President Lleras strongly supports Betancourt's position on Trujillo, although he recognizes that

Castro is a greater threat to peace in the hemisphere. He would probably cooperate in Betancourt's approach to the two Caribbean problems.

Trujillo's stability, which is already threatened by growing internal opposition and diplomatic isolation, will be further eroded by Venezuela's charges in the OAS.

Trujillo also apparently fears that the US will play an important role in possible OAS action against him. Article 8 of the Inter-American Treaty of Reciprocal Assistance, which Venezuela plans to invoke, provides for sanctions ranging from recall of ambassadors to armed action. 25X1

In the present tension, Venezuela's public and its armed forces would probably approve a direct attack on the Dominican Republic. Any rash act--or possibly even an erroneous report that such a step was being prepared by either country--might touch off military hostilities.

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SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

7 July 1960

ALGERIA-FRANCE

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The announcement by the Algerian rebels on 4 July that substantive negotiations concerning an Algerian cease-fire are "not opportune" at present stemmed from dissatisfaction at the treatment accorded a rebel delegation in preliminary contacts with French representatives at Melun, outside Paris. While their communiqué was conciliatory in tone, the Algerians are unlikely to resume negotiations in the absence of procedural concessions by the French. The rebels reportedly did not expect France to recognize their provisional government as representative of the Algerian people, but expected a voice in determining the conditions under which substantive negotiations would be held.

According to the communiqué, French officials indicated they would not permit rebel negotiators to travel freely in France, or to contact Algerian ministers --such as Mohamed Ben Bella-- presently held prisoner in France. The rebels' statement, in an attempt to blame France for the stalemate, made no mention of their pre-conditions for talks.

In Algeria, the suspension of the talks has been received without elation by European rightists, who generally expect them to be resumed and who still fear a "sellout" to the rebels. They are continuing their efforts to create a broadly based organization, the Front for a French Algeria (FAF).

The rebels' suspension of cease-fire talks has been warmly endorsed by the Tunisian Government and editorially supported elsewhere in the Arab world. The Algerians, however, can be expected to maintain communications channels to Paris through the use of intermediaries or possibly through French embassies. Meanwhile, they will make every effort to sustain and to step up terrorism within Algeria.

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Press reports from Cairo that the Algerians will shortly open a diplomatic mission in Peiping appear

designed to encourage Western intercession with France on behalf of the rebels. Communist China agreed in May to the establishment of a rebel mission in Peiping at some future date.

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In a series of talks in Normandy on 6 July, De Gaulle spoke in his usual vein about moving toward an Algeria linked to France, with its future to be decided by the Algerians themselves. Appealing to the rebels to end the war, he said they were wrong in imposing delays "for reasons which are theirs and not ours."

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SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

7 July 1960

REPUBLIC OF THE CONGO

Public order in the Republic of the Congo has been seriously threatened by a mutiny among units of the 24,000-man Force Publique which began on 6 July. Even if the mutiny is brought under control, concessions made to the mutineers may nullify the force's effectiveness as the major agency for internal stability in the new state.

Since its independence on 30 June, the Congo has been the scene of renewed tribal outbreaks in Leopoldville and Kasai provinces. Although the Force Publique--still under the command of Belgian officers--was instrumental in containing the disturbances in Leopoldville, its discipline appears to have been undermined by contact with tribesmen who regard "independence" as synonymous with the removal of all restraints.

The mutiny of 6 July began in Force Publique barracks on the outskirts of Leopoldville and in the town of Thysville, 80 miles south. The mutineers' immediate demands were for more pay and for the "Africanization" of the officer corps--that is,

the removal of Belgian officers. Premier Lumumba, after appealing for order, dismissed General Emile Janssens, the Belgian commander of the Force Publique, and stated that all enlisted personnel would be promoted one grade. By nightfall, mutineers who had demonstrated in front of the assembly building in Leopoldville had returned to their barracks. In Thysville, however, the mutineers remain in control, and continue to hold their officers in confinement.

Although the mutiny has thus far been confined to Leopoldville Province, it appears likely to have ramifications in units elsewhere. Lumumba's concessions to the mutineers probably foreshadow the accelerated Africanization of the Force Publique at the further expense of its effectiveness as a security force. Any such weakening, in turn, is likely to be reflected in renewed tribal outbreaks, particularly in Kasai Province, where the Force Publique has been a major factor in maintaining order during the past year.

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SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY****7 July 1960****PART II****NOTES AND COMMENTS****STRUGGLE OVER LEADERSHIP OF JAPANESE CONSERVATIVES**

Leaders of Japan's ruling Liberal-Democratic party (LDP), still unable to resolve their bitter factional struggle to name a successor to Prime Minister Kishi, may be forced to submit the issue to a floor vote at a party convention scheduled for 13 July. Hayato Ikeda remains the leading contender, but his candidacy has been set back by a tactical coalition between Mitsuijiro Ishii and Bamboku Ono, the other major candidates, and by a threat on the part of anti-Ikeda die-hards to form a new conservative party.

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A third group is led by party dissidents Kenzo Matsumura, Ichiro Kono, and Tanzan Ishibashi. The Kishi team wants to discipline these dissidents for party disloyalty and for encouraging leftist efforts to block ratification of the US-Japanese security treaty and bring about Kishi's downfall. The dissidents are threatening to withdraw from the LDP and, with Socialist support, to elect Matsumura prime minister unless they are granted a strong voice in party leadership.

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The three leading candidates have agreed to allow a six-man committee of government and party officials, headed by Kishi, to attempt to resolve the succession question. The LDP rivalry may be settled before 13 July, in which case the party convention will merely endorse the decision.

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Thus far, the only course apparently acceptable to Kishi and his hard-core LDP supporters--Ikeda, Finance Minister Sato, and former Prime Minister Shigeru Yoshida--is a simple transfer of leadership to Ikeda. Ishii and Ono, both of whom may see the present changeover as their last opportunity to become prime minister, are insisting that an interim successor be chosen to serve at least through general elections, which are expected in the fall.

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SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

7 July 1960

The Japanese press

now is directing [redacted] vituperative criticism at the conservative wrangling on the succession issue. Asahi Shimbun, the country's largest and probably most influential daily, has likened the LDP deadlock over Kishi's successor to "three vultures dividing rotten meat among themselves."

Meanwhile, incumbent conservative governors have scored victories in gubernatorial contests in Aomori and Saitama prefectures in early July. Although the Socialist campaign in both areas concentrated on the security treaty issue, local issues and the popularity of the incumbents were of greater importance. The voting--especially that in Saitama Prefecture, which is near Tokyo--did indicate, however, that widespread antipathy toward Kishi is not necessarily directed toward

other conservatives. In Saitama, the new Democratic Socialist party, which campaigned for the first time, took support away from the Socialist party but not from the LDP.

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Japanese leftists are attempting to reinvigorate their campaign against the security treaty. They have scheduled a series of demonstrations and rallies throughout Japan from 10 to 15 July. As part of their effort to make it difficult for the US to maintain bases in Japan, they have scheduled a demonstration for 10 July at the US naval air station at Atsugi, near Tokyo

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SHAKE-UP IN AGRICULTURAL LEADERSHIP IN THE RUSSIAN REPUBLIC

Several agricultural leaders in the Russian Republic (RSFSR) of the Soviet Union have been fired or reassigned during the past month amid complaints of serious deficiencies in agricultural administration--primarily failure to correct errors which last year were

blamed for the mediocre harvest. On 9 June, Dmitry Matyushkin, party first secretary in Krasnodar Kray, an agriculturally important province in the Russian Republic, was fired for alleged deficiencies in his administration of agriculture. He was succeeded by Georgy

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

7 July 1960

Vorobyev, who had been head of the agriculture department for the RSFSR in the party's central staff.

Four days later Stepan Kalchenko, the RSFSR minister of agriculture, was "transferred to other work" and replaced by Grigory Smirnov, deputy head of the party's RSFSR agriculture department until January 1960, when he became RSFSR deputy premier. Kalchenko's new job is not known, but he has not been publicly criticized.

On 25 June, Fedor Kulakov, RSFSR minister of grain products, was named party first secretary of the Stavropol Kray, another important agricultural area. He replaced Nikolay Belyayev, the former party boss in Kazakhstan who was expelled from the party presidium on 4 May. Belyayev had earlier been blamed for the poor harvest in Kazakhstan and was transferred in disgrace to the Stavropol Kray in January of this year.

Although these changes may be designed primarily to improve direction of agriculture in the field by shifting managerial experts from Moscow, there is an apparent connection between the nearly simultaneous shift of the RSFSR's three top agricultural officials and the fortunes of party presidium member Nikolay Ignatov. All three had been appointed to their former jobs in April 1959, the same month in which Ignatov, who had been central party secretary in charge of agriculture since December 1957, was mysteriously shunted into the largely ceremonial post of chairman of the RSFSR Supreme Soviet Presidium. In November, Ignatov returned to his former work in the party secretariat, regaining the status he had apparently lost in April.

There is some evidence that Ignatov was relieved of his ag-

ricultural responsibilities shortly after the bloc agricultural conference in early February 1960, inasmuch as he did not participate in an important inter-republic party conference on agriculture held in Moscow in mid-March, although he was apparently in Moscow at the same time. On 4 May he lost his job as party secretary and was appointed deputy premier of the USSR, ranking below First Deputy Premiers Kosygin and Mikoyan.

Ignatov was probably deeply involved in the disputes over agricultural policy which have taken place since the abolition of the Machine Tractor Stations (MTS) in early 1958. Although the issues were debated in the press and appeared to be ripe for solution by the fall of 1959, the party central committee in December temporized on most of the major issues and referred them to the party presidium for further study. So far there is no evidence that final decisions have been made, but the twists and turns in Ignatov's career during the past year and a half may be a reflection of those policy disputes.

The suggestion that the shift of the RSFSR agricultural leaders is related to Ignatov's transfer from the party secretariat and may reflect a new stage in the policy controversy is buttressed by the fact that Georgy Denisov, head of the agriculture department "for the union republics"--counterpart to the agriculture department for the RSFSR--was also transferred recently. On 21 May he was appointed Soviet ambassador to Sofia.

The names of new heads of the two party agriculture departments have not been made public. Their identities may clarify the issues involved in the recent shifts.

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SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

7 July 1960

POLAND REVISES 1961-65 ECONOMIC PLAN

Extensive revisions of Poland's Second Five-Year Plan (1961-65) made by the party central committee on 21 and 22 June reflect a significant shift in economic priorities. Production of producer goods and increased investments are emphasized at the expense of consumer goods and housing. As a result of these changes, the Polish plan bears a closer resemblance to those of other Soviet bloc countries, although it still favors the consumer to a greater extent.

Under the new version of the plan, the share of national income for capital investments is higher and that for personal consumption lower than in the preliminary version adopted in April 1959. Capital investments now are scheduled to increase by 51 percent over the previous five-year level. Agriculture and some sectors of heavy industry have been allocated considerably larger shares of investment funds, largely at the expense of investments for housing.

The rate of growth for over-all industrial production has been raised slightly. The production of producer goods is

to expand at a considerably faster rate. Per capita personal consumption during 1961-65 now is planned to increase only 20-23 percent, as compared with the originally proposed 23-25 percent.

Some of these revisions were necessitated by the program for accelerated mechanization of agriculture, which was adopted several months after the preliminary version of the plan had been approved. Revisions also take into account the interim performance of the economy: the negative developments in agriculture and foreign trade, and the positive ones which have improved prospects for industrial production.

However, the revisions as a whole reflect a general shift in economic priorities which probably is at least a partial victory for the more orthodox faction of the party which has been pressing for more rapid growth of heavy industry, even if it entails a cut in the consumption program. This change in economic policy should add to the anxiety and discontent of the Polish people.

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SOVIET RELATIONS WITH THE NEW TURKISH REGIME

The USSR has made a number of overtures and offers of economic aid through diplomatic channels to the provisional Turkish Government in a bid to promote friendlier relations. Moscow is disappointed with the new regime's decision to maintain close political and military ties with the West, but may hope that Ankara's

economic plight will open the door to Soviet aid and that its overtures will strengthen any elements in the new government inclined toward neutralism.

Immediately after the coup in late May, Khrushchev on several occasions publicly expressed hope that the new

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SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

7 July 1960

government would "make the necessary efforts" to improve relations, and that Turkey would return to the neutralist policies of the Ataturk government during the 1920s. However, the Soviet press and radio, while affirming this line, have repeated Moscow's standard warning of the "dangers" to Turkey from Western bases on its territory and were especially critical of Foreign Minister Sarper's statement in early June in which he confirmed Ankara's continued adherence to NATO and CENTO.

Soviet officials in Ankara have also voiced concern over recent Turkish events. One Soviet diplomat in mid-June said that the new regime is more "nationalistically inclined" than its predecessor, but that Moscow would find it more difficult to deal with. Soviet Ambassador Ryzhov, explaining that military intervention in Turkish politics is "not a favorable omen" for better relations with the USSR, expressed strong disappointment that the "revolution" in Turkey had been brought about by the army.

At the same time, Moscow has continued efforts to encourage the provisional government to establish closer relations.

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Moscow's latest move is

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[redacted] offering to provide Turkey with economic aid. The offer--described by Foreign Minister Sarper as "you say how much"--probably repeats in large part an aid offer made through Ryzhov in mid-June to extend funds, technical assistance, and industrial plants to Turkey.

Sarper informed American Ambassador Warren that the National Unity Committee (NUC), General Gursel, and the cabinet all wish to refuse Khrushchev's latest overture as Turkey did the earlier offer. However, Sarper asserted that Ankara's financial situation is desperate, and claimed that there is "heavy pressure" from Moscow to accept the Soviet offer.

Ambassador Warren has warned that, because the general philosophy of the NUC remains relatively unknown, these "pressures" should not be underestimated.

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CYPRUS SETTLEMENT

The last obstacles appear to have been removed, and Cypriot independence now is expected to be proclaimed in August. British and Cypriot officials who resumed negotiations on 23 June made rapid progress in resolving differ-

ences, and announced on 1 July that "full agreement" had been reached.

Three days later, Archbishop Makarios and Fazil Kuchuk, leaders of the Greek and Turkish communities on Cyprus, announced

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SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

7 July 1960

settlement of the long dispute over implementation of constitutional provisions specifying the percentage of Greek and Turkish Cypriots, 70 and 30 percent respectively, in the future civil service. The British Parliament is expected to pass enabling legislation prior to its summer recess. Elections for the Cypriot House of Representatives are scheduled for 31

July and elections for the Communal Chambers will follow a week later.

The agreement with Britain followed 16 months of efforts to draft the documents necessary to implement the Cyprus accords drawn up in February 1959 by representatives of Britain, Greece, Turkey, and the two communities on Cyprus. London and the Cypriots--primarily the Greek Cypriots--were in dispute over the future and size of the two military bases to be retained by Britain and the extent of future British financial aid to Cyprus.

A six-week deadlock was broken in May when the Greek and Turkish governments proposed a compromise formula. Under the terms of the final settlement, agreement was reached on the size (99 square miles), exact boundaries, and extent of Cypriot civil administration of the two bases retained by Britain. London gave assurance that the bases will be turned over to the Cypriot Government if they are ever abandoned. Britain will grant the new government nearly \$40,000,000 in financial aid during the next five years.



MAKARIOS



KUCHUK

The settlement has probably been received with considerable relief by the majority of Cypriots, many of whom feared continuing economic deterioration and a possible recurrence of violence between the Greek and Turkish communities if the deadlock had continued. Makarios, however, can expect continued sniping from the die-hard supporters of "enosis" on Cyprus, from ex-EOKA leader George Grivas in Athens, and probably from the Communists, who have begun agitating for complete demilitarization of the island.

Among the Turkish Cypriots, there may be considerable criticism of Kuchuk for agreeing to the compromise regarding the civil service. Opposition to his moderate leadership has increased in recent weeks, and anti-Kuchuk leaflets have appeared in Nicosia. His long identification with the ousted Menderes regime in Turkey has been used against him by his more nationalistic critics. Should Kuchuk lose his position as head of the Turkish Cypriots, he would probably be replaced by his more demagogic subordinate, Rauf Denktash. This would complicate relations between Greek and Turkish Cypriots at a time when Cyprus faces serious problems as a new state.

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SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

7 July 1960

MIDDLE EAST DEVELOPMENTS**Iraq**

On the eve of the 14 July celebration of the second anniversary of the Iraqi revolution, rumors of troubles are increasing as they did last year. There is no firm evidence, however, that incidents are being planned by either the Communists or nationalist elements. Many of the rumors appear to stem from memories of last July's Kirkuk massacres by Communist-instigated Kurds.

Premier Qasim's prestige is low at present, and increasing numbers of senior military officers and civilian officials criticize him openly.

It would appear untimely for the Communists to attempt an all-out struggle with Iraqi nationalists when Communists in the provinces and the army are being continually rebuffed; they have lost control of the trade unions and peasant associations and seem to face dislodgment from high positions in the government. Several Communists in the Education Ministry, a Communist stronghold, were ousted last week.

While there is much dissatisfaction with the present situation, all elements probably fear the consequences of an upheaval.

Lebanon

The fourth and last round of Lebanese parliamentary elections was marked by surprises. The heavy cross-voting indicates that a minor revolt was staged against the traditional feudal leaders of the Biqa Valley, and a number of their candidates lost out to local aspirants. Prices for votes dropped to a new low with the introduction of the secret ballot, and many vote buyers were arrested by the security forces.

Pro-UAR extremists seem to have suffered further rebuffs, and the election of Kazim Sulh, former ambassador to Iraq, raises the possibility that Beirut Moslem leader Saib Salam, who has had the edge up to now, may be passed over for the premiership in favor of either former Prime Minister Rashid Karami or possibly Sulh. The new parliament is scheduled to meet in mid-July.

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UAR-Jordan

The propaganda warfare between the UAR and Jordan flared up again during the last two weeks. Nasir, in a speech on 24 June in Alexandria, attacked King Husayn, implying, without mentioning him by name, that the Jordanian monarch would "meet the same fate as Nuri Said." Husayn's rebuttal was followed on 27 June by a barrage of invective in Cairo papers which referred to the King as "traitor," "Judas," and "shameless slave to imperialists" and to Jordanian Prime Minister Majalli as "chief eunuch of the traitorous King."

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Husayn, in his speeches, has called Nasir a dictator and has accused him of leniency toward Communism. Amman radio

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

7 July 1960

has called on the Syrian people "not to despair" and has assured them that the day will come when the "sufferings" they have endured under Nasir's yoke will be ended. On 4 July Amman broadcast a recorded interview with a defected Iraqi pilot who affirmed that, while in the Syrian region, he discovered a new plot by Nasir to inspire "internal revolt" in Iraq. The UAR has warned Jordan that "serious consequences" would follow continued Jordanian attacks against the UAR.

The propaganda battle is a not unusual prelude to the forthcoming Arab League meeting in August, when Arab foreign ministers are scheduled to make new attempts to reconcile intra-Arab differences. Majalli has indicated Jordan will bring up for consideration the UAR's "aggression."

Israel-Syria

Several Israeli newspapers have attempted to link the Jor-

danian-UAR dispute with recent incidents along the Israeli-Syrian border; one paper said Nasir's speech at Alexandria "marked the resumption of the UAR campaign of incitement." However, General Von Horn, chief of staff on the UN Truce Supervisory Organization (UNTSO), blames Israeli patrolling in the sensitive Tawafiq area of the demilitarized zone for the increased border tension. Von Horn said such patrolling was suspended on his urging after the clash at Tawafiq last January and he considers its renewal provocative.

The Syrians had stated their intention to open fire if Israelis entered this area, and on 28 June a member of an Israeli armored patrol which did enter it was killed. Von Horn believes recurring incidents are likely unless the Israelis are disposed to co-operate with UNTSO in the demilitarized zone. A ten-minute exchange of fire occurred on 3 July.

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UNREST REPORTED IN MOZAMBIQUE

Numerous reports of native unrest in northern Mozambique have reached the American Consulate General in Lourenco Marques. African tribesmen in the Mocimboa da Praia and Porto Amelia areas, probably influenced by agitators from neighboring Tanganyika, reportedly have created disturbances at local administrative posts. Some natives have apparently been killed, and wounded Africans have crossed the border into Tanganyika. Portuguese officials in Lisbon and Lourenco Marques have played down the significance of the outbreaks; elements of the Portuguese garrison have been flown to the area, however, and the northern Mozambique border is being patrolled by aircraft.

The security situation is complicated by evidence of arms smuggling. Some of the natives in the disturbed area apparently are armed,

The reports of unrest concern a relatively remote part of Mozambique, where poor communications and the sparseness of the European population have hampered Portuguese control. More than half the natives in the area are Moslems and have

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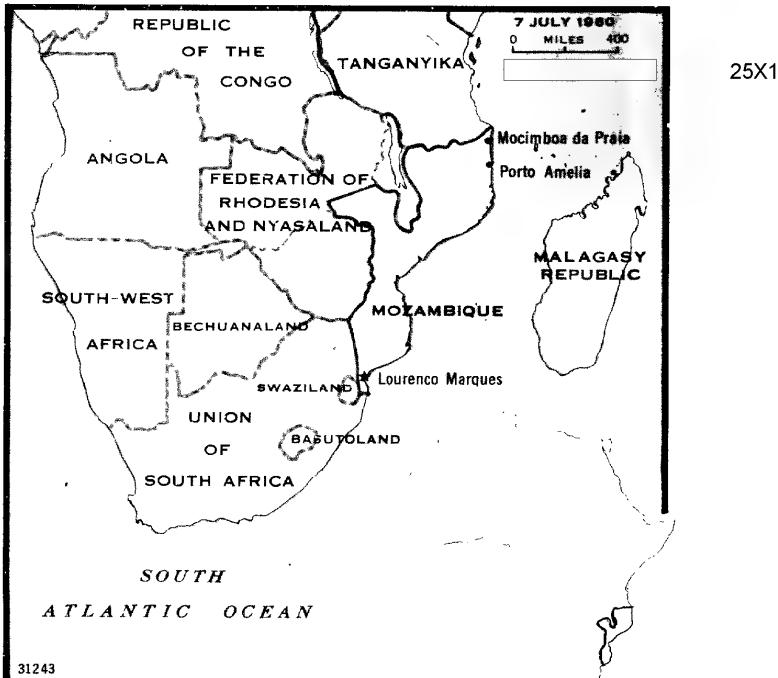
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CURRENT INTELLIGENCE WEEKLY SUMMARY

7 July 1960

close ties with their co-religionists to the north. As Tanganyika becomes self-governing, radical Tangan-yikan nationalists are likely to exploit these ties to an even greater extent. Mozambique is likely to be exposed to further agitation as the natives of the Nyasaland protectorate gain greater control over their own affairs.

Portuguese officials are becoming alarmed over developments in territories which adjoin their African overseas provinces. To date their prime concern has been Angola and its relations with newly independent Congo,



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NEPAL AND COMMUNIST CHINA AT ODDS OVER BORDER INCIDENT

Previously cordial relations between Nepal and Communist China received a sharp jolt as a result of the border incident in central Nepal in late June in the isolated Mustang area, a semiautonomous salient into Tibet. Peiping's formal apology for the incident, in which a Nepalese checkpoint officer was killed and 10 Nepalese nationals detained, has eased the tension somewhat, but reaction in Nepal to the Chinese "attack" will hamper further progress toward a final Sino-Nepalese border agreement.

Katmandu protested the Chinese action as a violation of the agreement reached last

March demilitarizing the frontier zone and setting up procedures for border demarcation. Prime Minister Koirala had sought this to clarify the actual boundary and to forestall incidents similar to those last fall along the Sino-Indian border. Arrangements for joint commissions to survey areas in dispute and to demarcate the boundary on the basis of "actual jurisdiction" were agreed on during Koirala's visit to Peiping and ratified when Chou En-lai went to Katmandu in late April.

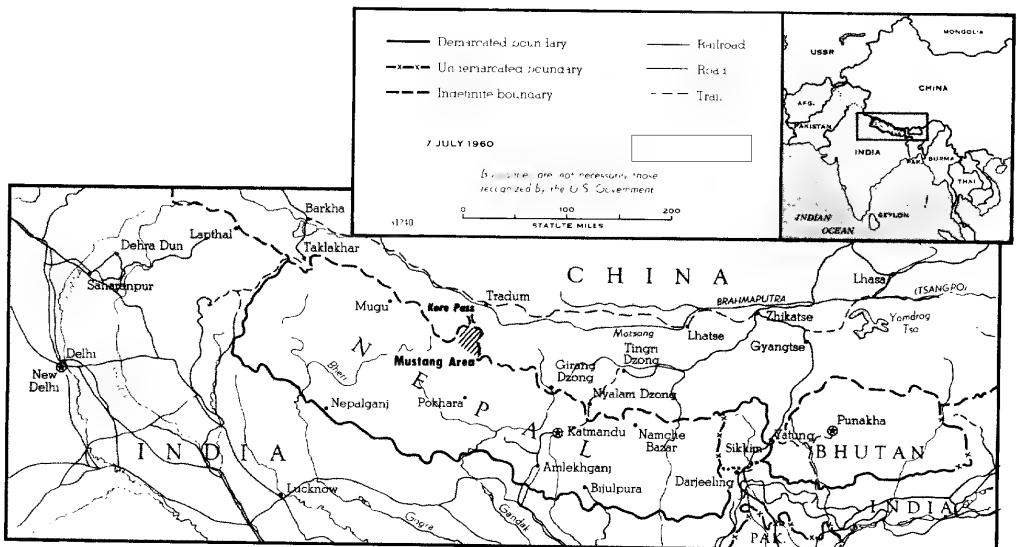
Nepal, stressing its neutrality, has generally minimized its own disagreement with Peiping over border demarcation and taken

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CURRENT INTELLIGENCE WEEKLY SUMMARY

7 July 1960



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a detached view toward India's dispute. Katmandu, like New Delhi, now has been placed in the position of an injured party.

Although Koirala on 4 July expressed his "satisfaction" with Peiping's reply and probably will proceed with the border negotiations, his ability to reach a final settlement with Peiping will be limited by the hostile reaction within Nepal against the Chinese. Rightist opposition groups are demanding a stronger policy, and the ruling Nepali Congress party itself apparently is exploiting popular indignation to bolster the government's position. Various defensive measures, including army reinforcements for the border posts, are being widely publicized, and six prominent Communists have been arrested on security grounds.

The incident has had considerable impact in India, where it has heightened anti-Chinese sentiment and strengthened the hand of those demanding a more aggressive Indian border policy. Pressure on Nehru's government to help bolster Nepal's defenses is likely to increase in view of the Indian

prime minister's previous statements that any attack on Nepal would be regarded as an attack on India.

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Speedy Chinese action acknowledging responsibility for the clash indicates that Peiping hopes to minimize the unfavorable impact and head off a new series of Asian charges of Chinese aggression such as followed Peiping's refusal to accept blame for the Sino-Indian border clashes of 1959. In his 2 July letter apologizing for the incident, Chou avoided stating that Chinese forces had transgressed on Nepalese territory and, contrary to assertions by Katmandu, placed the locale of the incident north of the Kore Pass in Chinese territory. Koirala, however, continues to assert that the clash occurred inside Nepal.

In an effort to lessen the possibility of further incidents, Chou stated in a subsequent letter that Chinese troops had been ordered to withdraw six miles to the north of the Nepalese-Tibetan border. Peiping

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SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY****7 July 1960**

thus was probably attempting to reduce the seriousness of its 27 June admission to Katmandu that Chinese troops were operating within the demili-

tarized zone. Peiping also notified Katmandu on 5 July that it had appointed five Chinese representatives to the joint boundary demarcation commission.

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CAMBODIA THREATENS TO ACCEPT BLOC ARMS

Cambodian Chief of State Sihanouk has warned that he will accept Communist bloc military aid unless the United States moves promptly to satisfy his complaint that it is giving more and better arms to South Vietnam, Thailand, and Laos than to Cambodia. In recent editorials and interviews Sihanouk has stressed that Cambodia urgently needs means to stand up to its "over-armed" neighbors, which he accuses of having aggressive designs and acting in league with dissident Cambodian elements. Sihanouk would prefer to accomplish this through an increase in American military aid to Cambodia combined with a cutback in such aid to the neighboring states; he has also suggested regional disarmament through international action.

Sihanouk's threats to turn to the Communist bloc if these other approaches prove unproductive are probably not all bluff, even though such a step would virtually end Cambodia's ever-dwindling area for maneuvering as a neutral. Sihanouk's thinking is heavily conditioned by his apparent conviction that Communist China is the "wave of the future."

Sihanouk may have in mind a stand-by arrangement with Czechoslovakia, pending American reaction to Cambodia's request for more and newer arms for the Cambodian armed forces.

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UNCODED

The Cambodian Government is believed to have a contingency plan under which the armed forces and police would turn over their American-supplied arms to Cambodian irregular forces and would be resupplied with Communist bloc arms.

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SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

7 July 1960

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BRITAIN, SPAIN, AND NATO

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The official visit to London of Spanish Foreign Minister Castiella from 11 to 13 July--the first high-level Spanish mission to Britain since Franco attained power--marks a major improvement in Spanish-British relations. Until now, the gradual improvement in Anglo-Spanish relations has been mainly non-political, marked by increased commercial ties. In early June a British carrier, a cruiser, and lesser ships stopped in Barcelona on "British Day" at the city's trade fair. Some informal discussions on military collaboration may have occurred in the past year to two

London's attitude on possible Spanish admission to NATO seems also to be shifting since a year ago, when the government side-stepped inquiries on the question. Castiella's visit will provide the British Government with an opportunity to indicate that it has no objection to discussion of this controversial topic.

This would set the stage for a further British shift to open support of Spain's entry. The gradual change may be part of Macmillan's effort to cultivate President de Gaulle, who is on record as advocating Spain's admission. London also would like to see Spain affiliate with the European Free Trade Association.

British officials are nevertheless aware that strong opposition in Norway, Denmark, Belgium, and the Netherlands must be overcome before the required unanimous approval for NATO admission is in sight. Although active persuasive efforts are not likely soon, a more favorable British attitude may contribute to the gradual erosion of active hostility in those countries.

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Regarding political problems, Spain's claims to Gibraltar and restrictions on the movement of workers into the naval base have irked London. Madrid's relaxation of these was a precondition for Castiella's visit. More basic are the authoritarian character of the Franco regime and lingering wartime and prewar animosities still voiced by the British Labor party. The Macmillan government apparently now feels strong enough, however, to afford some criticism on this score.

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

7 July 1960

WEST GERMAN CRACKDOWN ON NAZIS

The recent capture in Argentina of former SS General Adolf Eichmann has stimulated the West German Government to arrest a number of former Nazis suspected of war crimes on the assumption that additional evidence necessary for convictions may become available during the trial of Eichmann in Israel. Those arrested include former SS General Wilhelm Koppe, charged with complicity in the death of some 300,000 inmates of the Chelmo concentration camp in Poland; Hermann Krumey, an Eichmann assistant; and Adolf Heinz Beckerle, Hitler's wartime representative in Sofia.

but are firmly supported by the major political parties and the press.

In recent moves against neo-Nazi groups, the Socialist-controlled state government of Hesse has seized records, including membership and periodical subscription lists, from a major neo-Nazi center in Germany, the publishing house of the late extreme-rightist organizer, Karl Heinz Priester. The Hessian Interior Ministry prevented a meeting of the "Congress of West German and European Fascists," planned for 5 June in Wiesbaden, at which the numerous extreme rightist splinter groups reportedly planned to merge.

In another move, the federal Bundestag in early June approved a law banning the wearing of Nazi emblems and stiffening punishments for racial and neo-Nazi agitation. Wearing Nazi emblems, showing Nazi flags, or using Nazi slogans in public now can bring a sentence of up to three years, and racial or neo-Nazi agitation can be punished by three months to five



KOPPE



BECKERLE

Bonn inherited from the Allies responsibility for the prosecution of war criminals with the assumption of sovereignty in 1955. In 1958 the West German states set up a central office for tracking down war criminals, mainly through an examination of Nazi records. Approximately 1,200 persons are under investigation or have been arrested. The process has been speeded up since 1958 because the statute of limitations runs out during 1960 for all crimes except murder. The arrests have evoked bitter protests in nationalist and neo-Nazi quarters

years in prison.

Bonn is probably motivated by a desire to counter criticism abroad of laxity toward former Nazis, as well as by a sincere desire to bring serious offenders to justice. West Germans have generally viewed Eichmann's capture as evidence that "crime doesn't pay," and the press has welcomed the opportunity as another object lesson for German youths to learn of the horrors of the Nazi era.

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SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

7 July 1960

PARAGUAYAN REVOLUTIONARY ACTIVITY

The several Paraguayan revolutionary groups seeking to oust the Stroessner military dictatorship plan to expand their operations beyond the guerrilla activities and small invasions of the past few months. Their as-yet-uncoordinated activities have hitherto seemed mainly designed to promote a revolutionary atmosphere of heightened tensions, to infiltrate rebels, and to elicit material support outside Paraguay.

The most active of the four revolutionary groups has been the 14th of May Movement, which carried out the revolutionary attacks last December and the more recent series of raids beginning on 29 April. It has no formal tie with any political party but is composed mainly of Febreristas, Liberals, some Communists, and a few foreign advisers.

Stroessner's Colorado party-- and to the National Paraguayan Union (UNP), led by exiles of the major opposition Liberal and Febrerista parties. A UNP leader recently cited the "growing influence" of the 14th of May Movement as a reason for hastening UNP rebel action "at least by August."

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The 14th of May group may be gaining strength as a result of its harassing activity. Until now it has been considered third in importance to the Popular Colorado Movement-- dissidents from

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SECRET

CURRENT INTELLIGENCE WEEKLY SUMMARY

7 July 1960

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The Argentine, Brazilian, and Uruguayan governments recently tightened controls over border points, but full patrol of the border is impossible. The rebels, however, have had

some success in soliciting donations in these countries, and the indicated step-up in rebel activities may prompt more substantial foreign aid. The military at present remains loyal to Stroessner

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SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

7 July 1960

PART III**PATTERNS AND PERSPECTIVES****THE ROLE OF THE MILITARY IN SOVIET POLITICS**

The presence of Defense Minister Marshal Malinovsky at the abortive summit meeting in Paris in May led to considerable speculation about the role of the military in Soviet political life. The key questions which arise are: Is "the military" a cohesive element in the leadership? Are the military leaders in a position where they could exert pressure on Khrushchev? Are there indications that they have wanted to exert such pressure? These are discussed in the first portion of this article; the last half covers the effects and implications of recent events--including the U-2 incident--on the military-political relationship.

The Military

Soviet military leaders, as the directors, planners, and administrators of the military establishment, reflect the viewpoint and the views of a large and powerful institution. They reflect too the career interests of the officer corps, and represent the professional judgment of the military arm of government and party on matters of state policy in which that arm has a role. In this sense and in these matters they often have a relatively unified attitude.

The military leaders at the same time form a bureaucracy made up of individuals of differing and sometimes conflicting views, associations, and interests. Moreover, these associations of friendship or rivalry extend beyond the bounds of the military institution into the party and among political leaders. In this sense, "the military" does not speak with one voice, and

sometimes it subordinates common professional views to personal differences.

World War II Developments

The "Malinovsky administration" came into being precisely as a result of such a division among the military leaders under former Defense Minister Zhukov, and the subsequent and present situation cannot be fully understood without due attention to this fact. Indeed, it is necessary to turn to the days of World War II in order to understand it.

The war brought a new relationship between the political and military leaders, one in which the military commanders came into unusual intimacy with senior party officials. Both between military and political leaders and among the military leaders themselves, new and sometimes deep relations of personal acquaintanceship, and even lasting friendship or hostility, developed. In a few cases, whole groups of military leaders developed ties or antipathies to a political figure with whom they served in the field or dealt in the capital.

While there was, of course, a shifting of senior commanders during the war, two main categories developed: the army group and army commanders at the front, and the Supreme Headquarters staff in Moscow, which sometimes sent one or more of its members to the field to assume temporary over-all command of major operations. A prime example, because of its long-run effect on personal relationships, was Stalingrad. As will be seen, this historical case is relevant to current alignments.

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

7 July 1960

In the field, the Army Group directly involved in the defense of Stalingrad was the Stalingrad Front, under Colonel General Yeremenko. Under this command were four armies, commanded by Generals Chuikov, Malinovsky, Shumilov, and Moskalenko. General G. Zakharov was chief of staff of the Front, General Krylov was chief of staff of the 62nd Army under Chuikov, and General M. Zakharov was chief of staff of the 64th Army under Malinovsky. Generals Bagramyan and Popov also served in this Front. The senior political adviser and member of the Military Council of the Front was Lieutenant General Nikita Khrushchev.

As the battle of Stalingrad reached a climax and the crucial counteroffensive phase drew near, Stalin sent down not only the plans for the operation, but also an echelon of senior commanders and advisers to carry it out. Army General Zhukov, deputy supreme commander, and Colonel General Vasilevsky, deputy chief of the General Staff, were given overall command. Colonel General of Aviation Novikov was placed overall air forces, and Colonel General of Artillery Voronov was later put in charge of eliminating the encirclement.

Moreover, Malenkov was dispatched as the representative of the State Defense Committee to oversee the whole operation. Not unnaturally, a certain resentment and rivalry was felt by the senior field commanders there. Moreover, Zhukov, Vasilevsky, Novikov, and Voronov were all soon

SOUTHERN CLIQUE

N. S. KRUSHCHEV
1st Secretary
Soviet Communist Party.
Premier of the USSR.



R. YA. MALINOVSKY
Minister of Defense.



A. A. GRECHKO
1st Deputy
Minister of Defense.
Commander in Chief,
Warsaw Pact Forces.



M. V. ZAKHAROV
1st Deputy
Minister of Defense.
Chief of the General Staff.



V. I. CHUIKO
1st Deputy
Minister of Defense,
Commander in Chief,
Soviet Ground Forces.



K. S. MOSKALENKO
Commander, Moscow
Military District.
Chief, Moscow Garrison.

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promoted to marshal's rank for their services at Stalingrad, while none of the field commanders were.

During the following two years, the generals who formed the core of the field command in the Stalingrad battle generally assumed commands in the four Ukrainian fronts and their component armies, which swept across the southern part of central Europe. The Moscow marshals frequently assumed command of the various northern Belorussian and Baltic fronts. Thus was perpetuated, to a considerable extent, a rivalry which arose in the Stalingrad campaign. Moreover, it so happened that a disproportion of the commanders and the political figures whose wartime service was centered in the Ukraine were themselves by birth or political career associated with that region.

During the postwar Stalin period, some of the "southern"

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY****7 July 1960**

political and military leaders returned to that area, including Khrushchev. The military district command in Kiev was first under General Grechko, and later Chuikov; Popov was in the Crimea. Moskalenko not only served with Khrushchev in the Ukraine from 1945 to 1949 but also made a parallel transfer to Moscow in 1949.

Many other generals from this clique came to serve in Siberia: Malinovsky commanded the Maritime District, and later a broader Far Eastern area command; Krylov, the Far Eastern Military District; and G. Zakharov and Yeremenko, the East and West Siberian Military Districts, respectively. To be sure, Zhukov was himself for many years in distant and minor

commands, but the heart of Stalin's senior military command was the Supreme Headquarters leadership on which he had learned to rely during the war years: Bulganin, Vasilevsky, Kuznetsov, Antonov, and Shtemenko. Even the field commanders and staff officers in favor--Konev and Gvorov, Sokolovsky and Malinin--were men who were not part of the "southern clique" which developed from Stalingrad to the end of the war. ("Clique" is not intended to indicate that this group consciously formed a faction or that it agreed on all issues.)

Khrushchev-Zhukov Axis

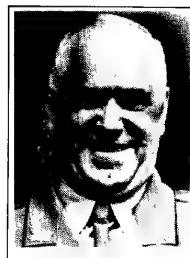
By early 1955, the initial period of the struggle for the succession to Stalin had

S U P R E M E H E A D Q U A R T E R S S T A F F

G. M. MALENKOV
Premier of the USSR,
Relieved February 1955.
Member, Party Presidium,
Expelled June 1957.



N. A. BULGANIN
Premier of the USSR,
Relieved March 1958.
Member, Party Presidium,
Expelled September 1958.



G. K. ZHUKOV
Minister of Defense,
Fired October 1957.
Member, Party Presidium,
Expelled October 1957.



A. M. VASILEVSKY
1st Deputy Minister of
Defense for General Affairs,
Relieved June 1956.

O T H E R S

S. KONEV
1st Deputy Minister of
Defense for General Affairs,
Retired April 1960.
Commander in Chief,
Warsaw Pact Forces,
Retired April 1960.



V. D. SOKOLOVSKY
1st Deputy Minister
of Defense,
Retired April 1960.
Chief of the General Staff,
Retired April 1960.



M. S. MALININ
1st Deputy Chief of the
General Staff,
Died January 1960.

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SECRET

CURRENT INTELLIGENCE WEEKLY SUMMARY

7 July 1960

closed. The military had, with all other institutions in the USSR, increased in importance on the death of the autocrat. By 1955 it seemed to have won its place in the new post-Stalin order and, with the reversal of Malenkov's tentative programs, to have gained acceptance of its requirements.

At the same time that Malenkov fell and Khrushchev and Bulganin triumphed, Marshal Zhukov became minister of defense. A month later, 12 generals and marshals were promoted, including six to the highest rank--marshal of the Soviet Union. Soon after, six more generals were promoted to general of the army. Among those promoted in 1955 were several former close associates of Zhukov and of Konev; but also among them were a conspicuously large number of members of the "southern clique," possibly included at the instance of Khrushchev.

Thus, in 1953 and 1955, Moskalenko was twice raised, to become a marshal of the Soviet Union; Grechko--not at Stalin-grad, but a Ukrainian and long-time close associate of Khrushchev--was also twice promoted; Chuikov, Yeremenko, and Bagramyan became marshals; and Krylov, Popov, Kazakov, and G. Zakharov were among the new generals of the army. Also in 1955 Admiral Kuznetsov was relieved and replaced as naval chief by Admiral Gorshkov, a "southerner" both by wartime and postwar service, and long acquainted with Khrushchev.

The period from February 1955 to October 1957 may be described as representing an axis between Khrushchev and Zhukov, since each found cooperation with the other useful--until, toward the end, Khrushchev concluded that Zhukov was usurping more than his due role. It was never, of course, a question of

equal or shared power--Khrushchev was always the more powerful--but it was an alliance of mutual convenience, born in the early post-Stalin period, in which each enjoyed the support of the other in consolidating his hold on matters of his own direct concern.

Khrushchev was building his personal power within the party, and the power of the party within the state; Zhukov was exercising his authority in developing Soviet military thought and training, and in building a modern military establishment. Ultimately they came to clash over the very issue of defining the dividing line between the party authority of the one, and the authority within the military sphere of the other.

When a new central committee was selected by the 20th party congress in February 1956, the number of military members was reduced--but remarkable favor was shown in the selection of officers from the southern clique. Both Malinovsky and Moskalenko were raised to full membership, although the latter had not even been a candidate member of the previous (1952) central committee, which had included 30 senior military men as members or candidates. Bagramyan, Chuikov, and Yeremenko were chosen as candidates. However, there still prevailed a three-way balance among the Moscow headquarters officers, Zhukov's personal rival Konev, and the southern group; Zhukov became the first professional officer to acquire candidate status on the presidium of the party.

Both before and after the party congress, the authority of the professional commanders, and of professional military thinking, had been largely freed from political interference. In late 1955 the position of political officer at company level was

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

7 July 1960

abolished. Senior officers were permitted to meet their compulsory political education by what was euphemistically termed "self-study." The relationship between the party organizations and the professional commanders was, however, in need of clarification.

Accordingly, in April 1957, by decree of the central committee, "Instructions to the Soviet Communist Party Organizations in the Soviet Army and Navy" were issued, replacing those issued ten years before. This decree, and an accompanying order of the minister of defense, marked a compromise between conflicting army and party views on the division of authority. The compromise did not, however, settle the issue; various published articles still emphasized either the restrictions on the political organs or on the officers, depending on the point of view of the author.

At all times, of course, the four lines of command--the professional military, the political administration, the party organization, and the secret police counterintelligence--have extended from the ministry itself into every battalion of the armed forces. By 1957 the last three had all declined in influence both absolutely and in relation to the professional command cadres.

In June 1957 the various opponents of Khrushchev among the party leaders joined in an effort to depose him. Khrushchev has admitted that the "antiparty group" obtained a majority in the presidium. Khrushchev refused to accept the decision of this majority, and insisted on carrying the matter to the central committee, which is always heavy with men of the party machine, and which moreover he had "packed" with his supporters at the 20th party congress.

It was a critical time for Khrushchev, and although he had the support of many key party officials, it was without question of great--and conceivably crucial--importance that he also found Marshal Zhukov and the military fully behind him.

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Zhukov, then a full member of the presidium, subsequently spoke "on behalf of the armed forces" in pledging continued support to the party leaders under Khrushchev.

The Zhukov Ouster

This was the high point of the Khrushchev-Zhukov relationship. Indeed, these two appeared to many to be the most powerful men in the Soviet Union. For this very reason though, could the newly successful party chief permit Zhukov such a position? In particular, while Zhukov had on this occasion extra-legally pledged the army to Khrushchev's support, could he not on some future occasion attempt to range this power against him? Could party presidium member Zhukov be permitted to make charged political statements "on behalf of the armed forces"? Khrushchev's wariness of Zhukov's rising power and popularity was one facet of the new situation from June to October 1957. There were two other facets in addition which also affected deeply the civil-military relationship.

The flux in internal power relations following the death of Stalin has been alluded to. The professional party apparatus under Khrushchev ultimately came to be dominant, but this was not the case in 1953 or 1955 or indeed 1957. The police had been drastically reduced in power with the purge of Beria. The governmental and managerial bureaucracy was greatly weakened as a potential political force by

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

7 July 1960

the two defeats of Malenkov and his associates, and by decentralization. However, the party leaders were divided. The military was affected by these changes by receiving increased relative importance.

In particular, under Marshal Zhukov, the military was also able to acquire a substantial degree of autonomy. The whole trend of his administration was, while not antiparty, nonparty. "Military science" itself was redefined in terms stressing purely professional military competence. This tendency clashed with the party not because it sought to usurp the political power of the party, but because it sought to make of the military a professional and self-contained instrument of the state.

Khrushchev and the party could not accept this, since their whole aim was to revitalize the party as the driving force in all activities of society and the state. Precisely the growing tendency toward an autonomous, professional governmental and economic bureaucracy, a would-be independent intelligentsia, and a professionally autonomous military establishment was considered by the party a main internal concern.

The removal of Marshal Zhukov was accomplished with no overt signs of difficulty, although by a devious stratagem. Zhukov was sent on a visit to Yugoslavia in October 1957, and, while he was in Belgrade, a previously unplanned week-long extension of his trip to Albania was announced. Thus Zhukov was kept out of Moscow for a three-week period during which Khrushchev lined up Malinovsky and others among the military and political leaders for his removal. On 26 October Zhukov arrived back at Moscow to be met by a military and

political delegation which informed him of his dismissal from the post of defense minister, a move immediately made public.

During the next several days, the public was in the dark on the meaning of this measure, while an apparently extended discussion of the whole matter of military-political relations took place in the central committee. At the end, it was announced on 2 November that Zhukov had also been removed from the presidium and the central committee, and he was castigated for fostering a personal cult around himself, and for attempting to "abolish the leadership and control of the party" over the armed forces. Apparently the initial plan had been to shift Zhukov quietly to a post of no real authority, but when he fought the issue there could be no compromise short of his capitulation, disgrace, and complete retirement.

The Southerners "Arrive"

With the selection of Marshal Malinovsky as minister of defense in 1957, the southerners "arrived." Khrushchev's old friend Marshal Grechko became first deputy minister and commander in chief of ground forces, with General Popov as chief of staff of the ground forces. Marshal (then General) M. Zakharov was at that time transferred to replace Grechko as commander of the Soviet forces in Germany--the prize field command in the Soviet Army.

Marshal Bagramyan was made deputy minister and chief of the rear services for the whole military establishment, and Marshal Yeremenko was brought to Moscow to head the Higher Military Academy of the General Staff. Moskalenko and Krylov were in command of the key Moscow and Leningrad Military Districts. Admiral Gorshkov remained naval chief. Konev, however, was still

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

7 July 1960

the senior first deputy minister for general affairs and head of the Warsaw Pact command, and Marshal Sokolovsky remained as first deputy minister and chief of the general staff of the Soviet armed forces.

The most recent act of the drama occurred in April 1960, in the wake of dissatisfactions among the military with Khrushchev's plan for substantial reductions in the armed forces and alterations in force structure, announced in a speech on 14 January. Although others too had reservations, the two leading military men who failed to speak publicly in support of this speech by Khrushchev have developed illnesses leading to their retirement: the senior first deputy ministers, Marshals Sokolovsky and Konev. Thus these two remaining "holdovers" from the previous administration now have been removed.

Today virtually all of the key places in the Soviet military high command are filled by members of the southern clique. Marshal Grechko assumed Konev's post, Marshal M. Zakharov moved into Sokolovsky's place, and Marshal Chuykov moved up from Kiev to Grechko's old position, fourth in the hierarchy, as commander in chief of ground forces.

Based on recent listings and their positions, the standing of the top eight military leaders is approximately as follows: Malinovsky, Grechko, M. Zakharov, Chuykov, Biriuzov, Bagramyan, Yeremenko, and Moskalenko--all members of the southern group. And what of the Moscow group? Zhukov, Vasilevsky, Sokolovsky, Antonov, Kuznetsov, Novikov, and Voronov now are all in retirement. Although various considerations enter into command appointments, the contrast between the fate of these two major groups has been dramatically and drastically demonstrated.

Current Relations

The military leaders at present form a more cohesive group of men than in any other recent period, although there probably are personal and service differences which may give rise to differing attitudes. However, all owe their present status largely to Khrushchev's favor, and presumably he has reason, based now on more than his personal association and acquaintanceship, to believe that they are responsive to his trust.

While the fortunes of individuals are of interest when they are as persistent and as politically relevant as in the case of Khrushchev's association with the "southern" clique of marshals, the main question remains the institutional one. Malinovsky, after all, is a marshal much absorbed with military interests and charged with defining, advocating, and fulfilling military requirements. The evolution of the institutional autonomy of the military establishment was not, in fact, basically altered by Zhukov's fall.

Inasmuch as one of the key charges against Zhukov was his attempt to avoid party-political interference in the sphere of the military--not, of course, expressed in these terms--the regime set out to restore party control at all levels. In what has seemed to many to be a paradoxical move, a few months after Zhukov's ouster the chief of the Main Political Administration since 1953, Colonel General Zheltov, was replaced by a professional officer, Colonel General (now Army General) Filip Golikov. In terms of what the regime has attempted to do, however, this move is readily understandable.

In the post-Zhukov era, considerable stress has been placed on creating a closer relationship between professional

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

7 July 1960

and party-political interests. This has been neither easy, nor altogether successful. Nonetheless, an effort is being made to make professional commanders and staff officers more interested in party-political work, and at the same time to make the political officers and party units better grounded in military affairs, and their work thus more responsive to real interests and needs of the professionals.

A model, if not a goal, of interchangeability has been mentioned--and indeed personified--by Golikov, and leading commanders at lower levels are being urged to assume leadership of local party units. There have been many indications, even in Soviet military newspapers, of a persistent failure to achieve a real rapport between party-political work and professional interests. While the autonomous interests of the military career officers have not been eliminated, the further progress of their independent development has been arrested from the strides of early 1955 to late 1957.

The "Instructions of the Central Committee of the Soviet Communist Party to Party Organizations in the Soviet Army and Navy" were revised and supplemented in late 1958 to remove some of the ambiguous allowances made in the compromise of early 1957. The main and novel aspect, however, has been the attempt to create, rather than merely to promulgate, a higher party-political consciousness throughout the armed forces.

The higher levels of command have also been affected by the pervasive efforts to establish a closer rapport between the professional commanders and the political and party organs. The institution of the Military Council, with the senior officer of the political administration in each Military District or Army Group as a member

along with the two or three senior commanders, has been resurrected since the fall of Zhukov. A new tie of the Military District to the corresponding regional, republic, or oblast party organs has recently been cultivated.

Both these developments tend to make the officer corps parallel to the local governmental, agricultural, and managerial bureaucracies, and less of an autonomous and self-contained system apart from the surrounding environment and tied only to its own high command in Moscow.

The most recent step in the never-ending campaign of political indoctrination was the "All-Army Conference of Secretaries of Basic Party Units" held in Moscow from 11 to 14 May. Its proceedings reveal that the same problems remain--most basically, political apathy in the armed forces--and also that the general course of counteraction followed since 1957 continues. In particular, the emphasis on the party organizations is used to bring the professional officers more into the activities of political indoctrination.

The present military leaders have shown no inclination to resume open "Zhukovism" in party-military relations. The military is called on for its counsel in discussion of appropriate major policy issues, preceding final decision by the presidium and submission to the central committee of the party. Thus its leaders contribute their advice as technical specialists--but not as full-fledged participants in national and foreign policy strategy-making.

The military may be given increased public prominence in times of tension, when the leaders want to demonstrate military power--as with Malinovsky's presence at the abortive summit meeting. Such moves should not, however, be taken as marking significant fluctuations in the situation of the military within Soviet political councils.

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

7 July 1960

Reappraisal of Armed Forces

From the standpoint of the military leaders, the most sensitive issue since Zhukov's ouster is the party and government decision in late 1959 to reduce the size of the armed forces drastically--at a time when their strength was such that only an alteration of their structure would permit a major reduction. As since revealed, Khrushchev obtained in December 1959 the approval of the central committee of the party--the widest base of policy consultation and sanction in the USSR--for this decision.

This program was announced by Khrushchev on 14 January 1960, and it clearly had many internal and external, propaganda, economic, and military purposes and implications. It stands out as the first major issue of political-military discord in the post-Zhukov period, and it is significant that even in a matter of such central professional concern to the military leaders, and indeed to the whole career officer corps, the preferences of the political leaders prevailed. In the wake of this decision some senior military men, notably Marshals Sokolovsky and Konev, were retired, but the military leaders generally --who must have shared concern over the measure--accepted, endorsed, and implemented the decision.

It is pertinent to note, in connection with this decision, that contrary to some Western commentary, Khrushchev did not impose a new military doctrine. The military leaders still remain masters within their domain, and they were apparently given the deciding voice in allocating the military reductions and changing the force structure under the politically imposed manpower ceiling.

The military undoubtedly did not take the initiative in proposing a severe slash in armed strength. Over the last seven or eight months of 1959, Khrushchev had hinted, especially in private talks with prominent Westerners, that he was planning a reorganization and reduction in the armed forces and greater emphasis on nuclear-armed missiles. Khrushchev has publicly and defensively said that his plan--the military leaders all publicly note that it is his plan--was carefully considered and approved by the General Staff and the military leaders, and this is doubtless so.

Still, the terms--an even one-third cut, to a shade under the 2,500,000-troop level of the US armed forces and of current Western disarmament proposals--suggest strongly a politically determined scale of reduction. Khrushchev himself has privately admitted that there was stiff military opposition to the program.

Khrushchev probably called in Malinovsky and his senior deputies and explained the reasons, and the necessity, for a substantial reduction. He presumably would have argued in general terms that the nature of modern weapons, particularly rockets, made such a reduction feasible, and he may well have pointed to the prior US example.

In addition, he probably would have argued that war was quite unlikely in the foreseeable future, and that even granting the premises of current Soviet military doctrine on extended campaigns in a nuclear war, the maintenance of a strengthened reserve system would meet future contingencies adequately without the drain of very large standing ground armies, especially in view of the relatively small size of the Western standing

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

7 July 1960

forces directly confronting them.

Khrushchev may well have agreed in principle to the need for a large army, but may have argued that if the principle were carried to the extreme, there would be no civilian workers to build tanks or rockets, no young scientists to discover new weapons, no economic and scientific advances to create the necessary political and ideological trends which give the capitalists pause and give world socialism momentum. He may have asked the marshals just how great a superiority in divisions they needed over the Western powers.

Whether or not Khrushchev presented the matter in this way, the arguments which the military finally accepted were presumably (a) that technological advances permitted or would shortly permit a greater reliance on missiles to perform the missions formerly served by manned bombers, manned fighters, fleet heavy-fire-support units, and certain categories of artillery, and (b) that other forces not supplanted by missiles could be reduced because the missile deterrent made war less likely and because provision would be made to maintain a superiority in standing forces plus large reserves. Thus the military leaders were able reluctantly to reconcile themselves to support of Khrushchev's reductions.

The circumstance of the retirement of Marshals Sokolovsky and Konev, following their silence on the new military plan, suggests strongly that they were reluctant in support, even perhaps adamant in opposition, to the Khrushchev program. It may be that the occasion was used to dispose quietly of these remaining exceptions to the dominant clique. Indeed, the recognition of the futility of

opposition may well have led Malinovsky and his close colleagues to decide very early in the game that they should let Sokolovsky and Konev bear the brunt of presenting the military's case, and then move in to support Khrushchev, thus prompting him to remove those who were out of step.

In this manner, Khrushchev could be induced to do what he ordinarily might have been reluctant to do: destroy an internal balance and place the High Command in the hands of one clique. At the same time, Khrushchev was probably ready to permit Malinovsky and his associates in the military leadership to determine the way in which the reductions would be applied.

There are no indications that "service rivalries" have entered the military-political relationship, although in a sense they are bound to play a part in the apportionment of reductions. Interservice rivalries may have existed, and may now exist, within the Soviet military establishment on a wider scale than appears, but such rivalries cannot be expected to reach a major scope and intensity.

One reason is historical tradition, the land-oriented, continental horizon of the Russian military and the long dominance of the ground soldiers. A second is political, the severe limitations on the development of any point of view, almost anywhere in Soviet society, which has not been sanctioned by the party leaders. Moreover, the nature of the political system does not encourage the belief that such an endeavor, even in private and still less in public, would be in the national interest.

Third is a sociological and psychological phenomenon--

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

7 July 1960

the difficulty of developing new ideas in the absence of their expression, debate, and refinement, and the further difficulty in the unofficial adoption of these ideas by some service minority. Finally, the ideological-political foundation of Soviet military thought is based on conviction of the need and value of a balanced and varied military capability, thus not inducing interest in theories proclaiming the superiority or self-sufficiency of any service.

In any case, the only "service" to have its fortunes advanced was the long-range rocket command. Khrushchev publicly disclosed on 9 May that Chief Marshal of Artillery Nedelin had been named commander in chief of the Rocket Troops, and from a variety of sources it now is fairly clear that Nedelin's command is roughly coequal with the ground, air, air defense, and naval components of the Soviet armed forces.

While the implication is that Nedelin's appointment is recent, this may or may not be so. In May 1959 he was promoted to chief marshal of Artillery, and ever since 1955 he has been a deputy minister of defense with unknown responsibilities in the missile field. In the most recent listings of military chiefs, the changed precedence of names of deputy ministers suggests that the rocket force--and the political administration--have advanced over, and at the expense of, the navy and air forces. The dominance of ground force generals is, if anything, strengthened.

Many officers of all major branches of service are affected directly by their impending release from service. Malinovsky's indication that in all a quarter of a million officers

will be released reflects the scale of the problem and suggests the scope of concern in the officer corps. The regime has shown its awareness of the problem in several ways, chiefly by promulgating a series of laws which will grant those relieved extended severance pay and preferential treatment in education, housing, and employment.

Still, the prospects are not encouraging to middle-age, middle-rank professional officers too young to retire and too old to start a new career. This is without doubt a contributory consideration in the lack of enthusiasm of the military leaders for the new look.

A second measure that the regime has taken to mute this dissatisfaction is the publicly announced promotion on 7 May of about 300 generals and admirals. The promotion lists included 19 new three-star colonel generalcies, of which 13 were ground force, 4 were air force, and 2 were political administration.

As additional compensation, it is possible that certain functions of the dissolved Ministry of Internal Affairs (MVD) may have been transferred to the Ministry of Defense, in particular general authority over the local civil defense organizations and perhaps over some of the Internal Troops. Also, while the Border Guards are under the Committee of State Security (KGB), they now may have a close relation to the armed forces as well.

Finally, the party set out in a major internal propaganda campaign, especially within the military establishment, to justify the reductions in military terms, to show solicitude for the released veterans, and above all to remind everyone of the infallible wisdom and

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

7 July 1960

irreversible resolve of the party in military as in all other walks of Soviet life. As in the previous case of a possibly delicate reaction, after Zhukov's removal, senior party leaders--Suslov, Brezhnev, Ignatov, and others--were sent to address troop meetings called to demonstrate solidarity in support of the party's decision.

This brief sketch of developments suggests that Khrushchev proposed a major reduction in the armed forces; that the military was generally not in favor, but with a few important exceptions accepted the new policy; that a few key personnel shifts, internal propaganda, and appropriate material compensations were provided to deal with lingering dissatisfactions; and that there was no crisis in military-political relations.

The U-2 Affair

Into this situation plunged the ill-fated U-2 reconnaissance plane on 1 May. It is difficult in the tangle of assorted debris left from its crash to extricate the military influences on Soviet policy, but several considerations probably have played a part. Accordingly, this discussion will attempt to infer the role of the military in influencing Soviet policy from 1 May to 15 May, the period of the initial sharp reaction to the U-2 incident and to its aftermath.

The four days preceding Khrushchev's public disclosure of the incident on 5 May doubtless saw extended discussion among both military and political leaders on how to treat the affair.

Regardless of precise events, the military leaders probably held a "hard" position, at least on exploiting the incident it-

self; they may or may not have spoken on the broader issue of the general line of foreign policy. There have been no hints that, say, Mikoyan, or indeed anyone, favored any course of action other than that adopted.

At this stage, the Soviet leaders probably did not expect the United States to acknowledge the overflights, and in addition let the world know that they had been going on for four years. This disclosure, plus the boomerang effect of excessive Soviet boasting, doctored accounts, and an apparently false photograph of the wreckage, instead of boosting the image of Soviet air defense capabilities as the Soviet military and political leaders probably had expected, on the contrary cast widespread doubts and aspersions on Soviet military prowess and ability.

One small indication of possible initial inclinations of the military in this period was a Ministry of Defense request on 2 May to General White for a postponement of the planned announcement of Chief Air Marshal Vershinin's scheduled visit to the United States. By 3 May it was back "on" again. Clearly the authorities had decided at that stage not to let the U-2 incident disrupt the visit.

On 7 May the composition of the Vershinin group was given, and on 9 May Khrushchev told Ambassador Thompson that Vershinin's trip would proceed as planned. As late as 11 May word was sent announcing the new ranks of three of the men in the delegation, who had been among those promoted on 7 May. Suddenly, on 13 May, the visit was canceled. The events from 2 to 13 May doubtless reflected the developing political decision on the summit and general policy posture.

25X1

SECRET

SECRET

CURRENT INTELLIGENCE WEEKLY SUMMARY

7 July 1960

It is not known whether the military exerted any particular "pressure" for the adoption of a "hard line" toward the US prior to 11 May, when the statements of US responsibility by Secretary Herter and the President evidently led to a change in Khrushchev's own position on current policy tactics. There are two indications in Khrushchev's impromptu remarks at the Czech Embassy reception on the evening of 9 May which suggest either that such pressure was being exerted or that Khrushchev wanted to head off any possible pressure before it arose.

First, he went out of his way to castigate the military for failing to shoot down an intruding airplane on 9 April. According to Pravda, Khrushchev said:

"On 9 April the reconnaissance plane should have been shot down. But our military, speaking softly, let the chance slip by. And we had, so to speak, to lecture them over that."

Second, he gratuitously raised an issue when he asserted --as he had on 7 May--that the American "provocations" had not and would not make any change in the Soviet plan for a reduction in the armed forces, and that in fact the USSR would probably make still further reductions in the more distant future. He noted in a patronizing public aside that General of the Army Zhadov--first deputy commander in chief of the ground forces--was scratching his head in wonderment at this indication of still more reductions. Pravda reported Khrushchev's remarks as follows:

"We not only insist on the necessity for reducing the armed forces,

but even now--without waiting for such decisions by the Western powers--we are unilaterally reducing the armed forces of the Soviet Union by one third. When we have reduced the armed forces to 2,400,000 men, after a bit, we will think it over and probably will reduce our army still further. There, Comrade Zhadov is scratching the back of his head--'Again,' he says, 'reductions!' (Gay animation in the audience) No, that won't happen yet, Comrade General, but later. (Gay animation, laughter)."

In sum, any pressure the military may have sought or been tempted to exert up to 10 May would appear to have been ineffectual.

Apparently, from 10 to 12 May the Soviet position was fluid and open, as Moscow awaited and assessed the unfolding American publicity on the theme of officially sanctioned and justified intelligence collection. There is no indication that the military was even involved, much less instrumental, in the decision to torpedo the summit, apparently reached sometime between 12 and 14 May. It is likely that Khrushchev himself--taking account among other things of the attitudes of his political and military colleagues--made the decision.

There is no indication that the military leaders were in a position to exert pressure, beyond such indirect influence as occurred in the weighing of their preferences by Khrushchev himself. On the other hand, there is no evidence that they have not had opportunity in high councils to lend their voices to the deliberations of the political leaders.

The military has not, however, shown signs of a

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

7 July 1960

consistently hard position toward the US. On 17 May Marshal Bagramyan and Marshal of Aviation Rudenko, in talking with a US Embassy officer at a reception, were most friendly, relaxed, and moderate in comments on the U-2 incident and Soviet-American relations. Also, Chief Air Marshal Vershinin's letter of 13 May "postponing" his trip to the US was moderate. At a later reception, on 25 May, the US air and army attachés were singled out by Soviet officers with friendly comments and a strong hint that Vershinin might soon be ready to come as a symbolic step ending the temporary breach caused by the recent incidents.

These and other remarks indicate a readiness on the part of the military to avoid tensions in East-West relations, but probably are not inconsistent with their opposition to large force cuts, to real disarmament agreements, and to possible Soviet experiments in altering the status quo of the military occupation in Eastern Europe.

The fact that Marshal Malinovsky accompanied Khrushchev to Paris raises the question of his role there. Based on inference and on what is known of Malinovsky's behavior, it would appear that his chief function was as a visible symbol of Soviet military might, and perhaps additionally as a witness to Khrushchev's dealings. If this latter function was performed, there is strong reason to assume Khrushchev himself so wished it. It is possible, although less likely, that a majority of the political leaders wanted such a witness. Least likely of all is the possibility that the military would have monitored Khrushchev's behavior on its own behalf.

Malinovsky's relative prominence in giving several recent public or published addresses

may indicate some increased voice in speaking for the Soviet leaders, but this is also quite explicable in terms of the need for creating both in the West and in the USSR itself the impression of Soviet military strength, ability, and resolution. Malinovsky has firmly reiterated support for the general coexistence line, and has said nothing which suggests reservations or reversals on such issues as the reduction in the armed forces.

He has spoken, most recently and most emphatically on 29 May, in lyrical terms of Khrushchev's marvelous qualities as a leader, and crediting him personally with all major policies--at the same time he announced the policy of rocket retaliation against reconnaissance overflight bases.

Future Prospects

There is no reason to believe that the role of the military in Soviet decision-making has changed, or is likely to change, in any significant way. At times of increased tension, it is not surprising that they should be given greater prominence, and also that on certain issues their advice should carry greater weight. It does not appear, however, that they are exerting any significant influence on the determination of the general line, or even on the key current questions most directly affecting military policy: a ban on nuclear weapons tests, and the scheduled unilateral reduction of the armed forces.

All the reasons which led Khrushchev and the party, after evidently extended consideration and coordinated examination with the military, to decide on a major unilateral cut still prevail. Even if the general propaganda line is somewhat harder, there is neither an indication nor evident reason for a change

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

7 July 1960

in plans to stimulate the growth of the economy, keep down rising military costs, reduce an excessively large standing army, and dispense with obsolescent air and naval weapons.

It is possible that recent and future events may affect some intended reductions (e.g., in possible partial withdrawals from Eastern Europe), but it is not likely that events to date have affected even such plans; reductions are, in fact, being made.

Finally, in the unlikely event that a major change of line--which would probably involve the replacement of Khrushchev--were to occur, it is likely that military leaders would get an increased voice on issues directly affecting military policy. It is most unlikely, however, that they would be the chief motive force in securing the change of line, or that they would emerge as the dominant element in a new regime.

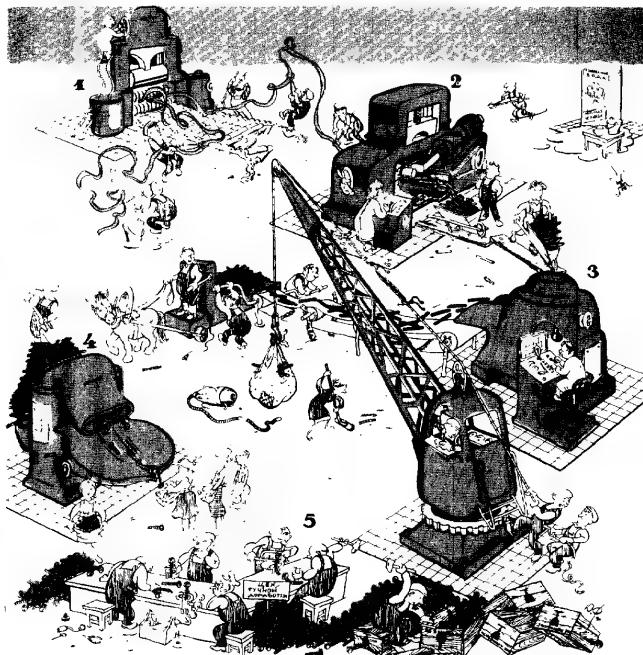
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SOVIET TECHNOLOGY

The Soviet Union, which launched an ambitious industrial modernization program in June 1959, has scheduled a central committee plenum for 13 July to review progress and give additional guidance for promoting technological advances. This year's plenum will probably

praise the satisfactory production record of Soviet industry, the general overfulfillment to date of Seven-Year Plan industrial and productivity goals, and the determination to complete the plan ahead of schedule. Fifteen- and 20-year plan goals, said by Khrushchev last fall to be in preparation, may be discussed in more detail.

However, the plenum will probably criticize accomplishments to date, for few of the specific tasks assigned a year ago appear to have been fulfilled. While the USSR is more advanced in some cases than the West in theoretical knowledge of automation, it lags behind appreciably in the application of automatic controls to industry. On 31 May, at the Communist Labor Brigade Conference, Khrushchev warned, "While we are solving tasks concerning the growth of production...serious

Difficulties in introducing advanced machinery as seen by Krokodil.**SECRET**

SECRET

CURRENT INTELLIGENCE WEEKLY SUMMARY

7 July 1960

problems still exist as regards quality...including questions of production costs, cost accounting, and reduction of production waste..., and new gains of science and technology." This is virtually the same list of problems which were singled out by the plenum for remedial action last year.

Progress in these fields is especially important if the ambitious gains in industrial productivity envisaged during the Seven-Year Plan period are to be achieved. Such gains are necessary to compensate for smaller additions to the labor force--a result of the low World War II and postwar birth rates--and to permit fulfillment of the program to reduce the workweek.

Level of Industrial Technology

Soviet industry has demonstrated a capability to incorporate advanced techniques into the rapidly expanding industrial base of the USSR. In many areas of heavy industry, which long has been accorded the highest priority, technological improvements on a par with the best in the West have been introduced. In some cases, as in blast furnaces, petroleum extraction, machine building, and pre-stressed concrete, the Soviet Union has made notable pioneering adaptations and developments.

The food-processing, textile, and other light industries, however, are far behind. Certain types of transport, civil telecommunications, and some aspects of construction have been accorded only grudging attention, and many technological practices in these areas are similar to those followed in the West 25 years ago.

Within certain industries, technological development has also been uneven. In the Donets coal basin, large sums have been spent on automating operations on the surface, but the underground transport of coal is so

poor that one Soviet official complained that more workers are needed to extract 1,000 tons of coal now than in prewar years. A Soviet economist stated early this year that Soviet plants employ 2.8 times as many auxiliary workers to produce a ton of steel --in transportation, maintenance, and inspection--as do their American counterparts. Plants operating the most up-to-date machinery must frequently fabricate spare parts themselves, and material often must be moved from one point in the production process to the next by hand or by cart.

Generally speaking, the USSR has sufficient scientific knowledge, but its ability to apply it to industry is dependent on favorable circumstances. Many factors peculiar to the Soviet economic system have led to the uneven application of technology. Technological improvements, for example, are sometimes directed toward political objectives, and progress in modernization is gauged by a scale of values different from that of the West.

Central directives heretofore have emphasized increased output rather than increased quality and efficiency, and thus they have tended to discourage the introduction of new techniques which might temporarily disrupt production. The directives have also inspired a conservatism in plant management which often has resulted in a considerable lag between development and practical application. These factors have frequently led to the retention of existing capacity and the operation of technologically outmoded plants much longer than is the case in the West. Furthermore, research planning and experimental work have often been poorly coordinated with the requirements of production.

Soviet industry has traditionally used relatively more labor and less capital than comparable industries in the US.

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY****7 July 1960**

In the aggregate, for example, the USSR's industrial output is less than half that of the US, although its industrial labor force is about 20 percent larger.

Tasks Assigned by 1959 Plenum

To combat these problems, a plenum of the party central committee in June 1959 outlined a comprehensive program to improve the economic and administrative environment which was hampering modernization. A number of tasks were assigned to various government and party agencies, and about one third of these were to be completed by specified times ranging from the end of August last year to 1 January 1960.

Gosplan and the minister of finance were to submit to the USSR Council of Ministers by 1 September proposals for improving conditions for financing the introduction of new machinery--including the improvement of bank credit, the allocation of material resources, and the establishment of correct prices--an especially complex problem in the USSR. Economic stimuli to encourage enterprises and construction organizations to introduce new technology, and workers to adopt new technology, were to be drawn up by 1 November.

Branches of industry and construction were ordered to draft standardized regulations for bringing experimental models

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USSR AGENCIES CONCERNED WITH INDUSTRIAL MODERNIZATION AND TECHNICAL PROGRESS

(The organizations referred to below are all directly subordinate to the USSR Council of Ministers)

AGENCY	ROLE
State Planning Committee (Gosplan)	Planning staff of the USSR Council of Ministers. Responsible for developing state economic plans--including all investment programs necessary for technical innovation--and for monitoring their implementation. Must also provide for shifts in plan relationships which arise from technical progress and promote such progress through its planning.
Academy of Sciences	Responsible for developing and administering programs for "basic" scientific research; these may result in practical applications involving technological innovation. Its institutes are responsible upon request for research and development in direct support of technical innovation.
State Scientific - Technical Council	Responsible for working out and coordinating programs for developing, storing, and disseminating scientific and technical information for which it exploits foreign and domestic literature. Acts as an advisory body to the USSR Council of Ministers on scientific and technical problems.
State Scientific - Economic Council	Now reported to be handling long-term economic planning. Has been responsible for coordinating economic research, especially for providing theoretical support to planning organs in technical economic matters. Develops methods for planning to take account of technical progress and to promote it.
State Committee on Problems of Labor and Wages	Responsible for developing and coordinating programs of wage incentives which take adequate account of technical advance and which foster it; works with planning, administrative, and trade union organs on matters of norms, working conditions, working hours, and wages.
Ministry of Finance	Responsible for controlling wage payments and authorizations; through operations of the State Bank (Gostbank), audits most expenditures for materials, labor, machinery and equipment, research contracts, etc., in support of technical innovation and investment programs.
Ministry of Higher and Secondary Specialized Education	Responsible for training scientific and technical cadres; its network of scientific research institutes--often administered jointly with industrial enterprises--is a valuable asset promoting Soviet technical progress.
State Committees for... Machine-building and Automation Defense Technology Radio Electronics Aviation Technology Chemistry Shipbuilding	In their respective fields, these state committees are responsible for promoting the adoption of new techniques, supporting the planning bodies with technical advice on investment and innovation programs, and coordinating training programs and career development.

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7 JULY 1960

SECRET

SECRET**CURRENT INTELLIGENCE WEEKLY SUMMARY**

7 July 1960

of new machines into series production and to establish the priorities and time limits for carrying out work on integrated automation. Proposals for relating scientific research to industrial problems--a recurring demand--were to be submitted by the end of 1959.

The deadlines have all passed with few announcements of progress, possibly because many of the deadlines were not met. Only two specific measures are known to have been adopted. One of these was the passage of new bonus regulations for industrial managers, supervisors, and technicians in most branches of heavy industry and state agriculture which reward those who reduce production costs and, in certain industries, improve product quality.

Bonuses for cost reduction are contingent on simultaneous fulfillment of the production plan, the labor productivity plan, and the plan for deliveries. The new system probably will succeed in making Soviet managers and supervisors more cost-conscious and thereby should also encourage a more receptive attitude toward new production techniques.

A second major step in the implementation of the decisions of the June 1959 plenum appears to have occurred with the publication on 2 July of a decree providing for a new system of bonuses to be paid to managerial and technical personnel taking a direct part in the creation and introduction of new production equipment and to the workers operating such equipment.

A less direct influence of the June 1959 plenum, although probably of minor significance with only local application, is apparent in decrees reportedly issued by numerous sovnarkhozy to implement last year's plenum decisions. In April the chairman of the State Scientific-

Technical Committee reported that 50 percent more measures for the introduction of new technology were carried out in 1959 than in 1958 and that, throughout the national economy, series production of more than 400 new types of machines had been started.

Since last year's plenum, there have also been a number of conferences devoted to the tasks set forth at that time. The Siberian branch of the USSR Academy of Sciences held an all-union conference on the automation of control and measuring technology in industry last September. Early this April, the State Scientific-Technical Committee convened a meeting to consider the problems of introducing new technology and of correcting shortcomings in the application of technology already adopted.

A conference to consider wage and bonus legislation to promote new technology was convened in Moscow the same month, and in June an All-Union Conference of Agricultural specialists considered the problems of improving the mechanization of farm operations. At the First International Congress for Automatic Control which opened in Moscow on 27 June, Soviet technologists put on an impressive show for Western delegates, underscoring the excellence of their theoretical knowledge, which in some cases is more advanced than that of the West.

The main emphasis of the meeting, however, is on the industrial applications of automatic controls; in practical application, the USSR is apparently appreciably behind the West. The signs of progress are accompanied by many deficiencies which troubled the regime on the eve of the June 1959 plenum and have not been appreciably reduced.

In March a sovnarkhoz chairman complained of extraordinary

SECRET

SECRET

CURRENT INTELLIGENCE WEEKLY SUMMARY

7 July 1960

slowness in putting new technology into practice. "It is no secret...that plant managers concerned with fulfillment of the production plan avoid innovations...the introduction of which entails some loss of working time and cutting of production output at the outset...." In the May issue of the Soviet journal Problems of Economics, an economist noted that despite last year's admonitions by the plenum "it is a frequent fact that when an enterprise introduces new technology, payments for labor worsen in comparison with workers in enterprises still under the old technology."

According to the chairman of the State Scientific-Technical Committee at an automation conference in April, many Union republics and ministries failed to fulfill plans for producing new machines during 1959. It was pointed out that out of 76 major technological improvements planned in the iron and steel industry of the RSFSR during 1959, only some 40 were implemented, and work was not even begun on 16. At the same meeting, one delegate complained that it was almost impossible to exercise control over the great number of modernization projects the RSFSR's sovnarkhozy had been expected to introduce in 1960.

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